

Caddo Community Action Agency, Inc.
Shreveport, Louisiana

Financial Statements

For the Years Ended January 31, 2014 and 2013
With Supplemental Information Schedules

Caddo Community Action Agency, Inc.
Shreveport, Louisiana

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Independent Auditors' Report

To the Board of Directors
Caddo Community Action Agency, Inc.
Shreveport, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Caddo Community Action Agency, Inc. (a nonprofit organization), which comprise the statements of financial position as of January 31, 2014 and 2013, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Caddo Community Action Agency, Inc., as of January 31, 2014, and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information schedules shown on pages 12 - 13, are presented for the purpose of additional analysis and are not a required part of the financial statements of Caddo Community Action Agency, Inc. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is also presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The accompanying supplemental schedules, listed as "Supplemental Information Schedules For Grants and Contract Analysis" in the table of contents and shown on pages 16 - 17 are presented for purposes of providing various funding sources of Caddo Community Action Agency, Inc. additional individual grant and contract analysis and is not a required part of the financial statements. The information is prepared on a prescribed basis of the individual funding sources of Caddo Community Action Agency, Inc., and the schedules are for a period other than the organization's fiscal year. These schedules are not presented in accordance with generally accepted accounting principles. Accordingly, the schedules mentioned previously and shown on pages 16 - 17 are not intended to present financial position and results of operations in conformity with generally accepted accounting principles. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated on the basis of accounting practices prescribed by the various funding sources.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 7, 2014, on our consideration of Caddo Community Action Agency, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Caddo Community Action Agency, Inc.'s internal control over financial reporting and compliance.



Cook & Morehart
Certified Public Accountants
August 7, 2014

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Statements of Financial Position
January 31, 2014 and 2013

Assets	2014	2013
Current assets:		
Cash	\$ 292,344	\$ 362,347
Grant receivables	257,865	696,261
Prepaid insurance	134,429	146,481
Due from other funds	99,575	114,975
Total current assets	<u>784,213</u>	<u>1,320,064</u>
Property and Equipment:		
Property and equipment	13,452,670	13,684,536
Accumulated depreciation	<u>(6,073,980)</u>	<u>(5,810,898)</u>
Net property and equipment	<u>7,378,690</u>	<u>7,873,638</u>
Total Assets	<u>\$ 8,162,903</u>	<u>\$ 9,193,702</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 181,959	\$ 477,235
Accrued liabilities	330,650	308,817
Line of credit	85,000	104,000
Due to other funds	99,575	114,975
Notes payable, current portion	61,376	56,221
Refundable advances	<u>1,361</u>	<u>143,448</u>
Total current liabilities	<u>759,921</u>	<u>1,204,696</u>
Note payable, less current portion	<u>851,810</u>	<u>992,127</u>
Total liabilities	<u>1,611,731</u>	<u>2,196,823</u>
Net assets:		
Unrestricted:		
Operating	85,668	107,933
Fixed assets	<u>6,465,504</u>	<u>6,888,946</u>
Total net assets	<u>6,551,172</u>	<u>6,996,879</u>
Total Liabilities and Net Assets	<u>\$ 8,162,903</u>	<u>\$ 9,193,702</u>

The accompanying notes are an integral part of this statement.

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Statements of Activities
For the Years Ended January 31, 2014 and 2013

	Unrestricted	
	2014	2013
Revenues:		
Contractual revenue - grants	\$ 15,193,802	\$ 15,737,192
Miscellaneous revenues	91,721	83,394
Total revenues	15,285,523	15,820,586
Expenses:		
Program expenses		
Head Start program	10,034,337	10,541,199
Child care food program	1,077,559	1,092,390
Community services	456,526	503,460
Weatherization assistance	765,480	722,331
Home energy assistance	1,838,403	1,795,760
Emergency food and shelter	14,500	
Other general services	90,133	82,427
General and Administrative expense	1,454,292	1,507,847
Total expenses	15,731,230	16,245,414
Changes in net assets	(445,707)	(424,828)
Net assets as of beginning of year	6,996,879	7,421,707
Net assets as of end of year	\$ 6,551,172	\$ 6,996,879

The accompanying notes are an integral part of this statement.

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Statements of Cash Flows
For the Years Ended January 31, 2014 and 2013

	2014	2013
Operating activities		
Changes in net assets	\$ (445,707)	\$ (424,828)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	520,319	506,290
(Increase) decrease in operating activities:		
Grant receivables	438,396	(154,296)
Prepaid insurance	12,052	(45,797)
Increase (decrease) in operating liabilities:		
Accounts payable	(295,276)	(176,116)
Accrued liabilities	21,833	91,446
Refundable advances	(142,087)	139,226
Net cash provided (used) by operating activities	<u>109,530</u>	<u>(64,075)</u>
Investing Activities		
Payments for property and equipment	<u>(25,370)</u>	<u>(52,527)</u>
Net cash (used in) investing activities	<u>(25,370)</u>	<u>(52,527)</u>
Financing Activities		
Net payments on line of credit	(19,000)	(46,000)
Proceeds from construction note payable		137,628
Payments on loan	<u>(135,163)</u>	<u>(98,774)</u>
Net cash (used in) financing activities	<u>(154,163)</u>	<u>(7,146)</u>
Net (decrease) in cash	(70,003)	(123,748)
Cash as of beginning of year	<u>362,347</u>	<u>486,095</u>
Cash as of end of year	<u>\$ 292,344</u>	<u>\$ 362,347</u>

Supplemental disclosure:

Cash paid for interest during the years ended January 31, 2014 and 2013
was \$37,678 and \$14,661, respectively.

Non-cash investing transaction:

Acquisition of property	
Cost of property and equipment	\$ 651,108
Property and equipment loans	<u>(598,581)</u>
Cash down payment for property and equipment	<u>\$ 52,527</u>

The accompanying notes are an integral part of this statement.

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Notes to Financial Statements
January 31, 2014 and 2013

(1) Summary of Significant Accounting Policies

A. Nature of Activities

Caddo Community Action Agency, Inc., (CCAA) is a private non-profit organization incorporated under the laws of the State of Louisiana. CCAA is governed by a Board of Directors composed of members from Caddo Parish. CCAA operates as a community action agency administering various federal and state funded programs designed to provide assistance to the poor and disadvantaged in Caddo Parish, Louisiana, with Weatherization Services also provided in Rapides and Lincoln parishes. CCAA administers the following programs, shown with their approximate percentage of revenues for the year ended January 31, 2014:

Head Start Program (69%) – Provides comprehensive early child development for disadvantaged and handicapped preschool children and their families. Funding is provided through federal funds from the U. S. Department of Health and Human Services.

Child Care Food Program (8%) – Provides a food service program in coordination with the Head Start Program. Funding is provided by federal funds passed through the State of Louisiana, Department of Education.

Community Services Block Grant (4%) – Administers various programs to fulfill responsibilities and provide assistance to the poor, disadvantaged and unemployed through housing services, community projects, nutrition services, emergency assistance, employment services, transportation services, and other services. Funding is provided by federal funds passed through the Louisiana Workforce Commission.

Weatherization Assistance Program (5%) – Provides assistance to weatherize (insulate) the dwellings of low-income persons, particularly the elderly and handicapped low-income in order to conserve needed energy and aid those persons least able to afford higher utility costs. Funding is provided by federal funds passed through the Louisiana Association of Community Action Partnerships, Inc. and Louisiana Housing Corporation.

Home Energy Assistance Program (13%) – Provides assistance to low income households to offset the burden of high energy costs. Funding is provided by federal funds passed through the Louisiana Association of Community Action Partnerships, Inc. and Louisiana Housing Corporation.

Shreveport Water Assistance Program (1%) – Provides assistance to hardship families in paying their water bills. Funding is provided by a contract with the City of Shreveport.

B. Basis of Accounting

The financial statements of CCAA have been prepared on the accrual basis of accounting.

(Continued)

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Notes to Financial Statements
January 31, 2014 and 2013
(Continued)

C. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards. Under those standards, *the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.*

D. Income Tax Status

CCAA is exempt from state and federal income taxes under Section 501 (c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to CCAA's tax-exempt purpose is subject to taxation as *unrelated business income*. CCAA had no such income for this audit period. CCAA's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ended January 31, 2011, 2012, 2013, and 2014 are subject to examination by the IRS, generally for three years after they were filed.

E. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those *estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses.* Actual results could differ from those estimates.

F. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, CCAA considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. CCAA had no cash equivalents at January 31, 2014 or January 31, 2013.

G. Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using primarily the straight-line method. The Federal Government has a reversionary interest in property purchased with federal funds; its disposition as well as the ownership of any proceeds therefrom is subject to federal regulations. *The use of assets purchased with federal funds is limited to the purposes intended by the funding agency.* CCAA has adopted a policy to capitalize all items with a unit cost of \$1,000 or greater.

H. Retirement Obligations

CCAA offers a 401(k) profit sharing plan for its employees. Employees with at least three months of service may contribute a portion of their gross wages up to a dollar limit which is set by law. Each year CCAA determines the percentage of an employee's compensation it will contribute to the plan. For the year ended January 31, 2014, the contribution was 2% of eligible wages. The amount contributed to the plan for the years ended January 31, 2014 and 2013 was \$139,337 and \$146,416, respectively.

(Continued)

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Notes to Financial Statements
January 31, 2014 and 2013
(Continued)

I. Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Contractual grant revenue is reported as unrestricted support due to the restrictions placed on those funds by the funding sources being met in the same reporting period as the revenue is earned.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

J. Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

K. Reclassifications

Certain accounts in the prior-year financial statements as presented in the accompanying statements of activities have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

(2) Concentrations of Credit Risk

Concentrations of credit risk with respect to grant receivables are limited due to these amounts being due from governmental agencies under contractual terms. As of January 31, 2014 and 2013, CCAA had no significant concentrations of credit risk in relation to grant receivables.

CCAA maintains cash balances at several financial institutions located in the Shreveport area. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At January 31, 2014, total cash balances held at financial institutions was \$588,087. Of this amount, \$254,109 was secured by FDIC, and the remaining \$333,978 was collateralized by pledged securities. At January 31, 2013, total cash balances held at financial institutions was \$554,804. Of this amount, \$254,446 was secured by FDIC, and the remaining \$300,358 was collateralized by pledged securities.

(3) Grant Receivables

Various funding sources provide reimbursement of allowable costs under contracts or agreements. These balances represent amounts due from funding sources at January 31, 2014 and 2013, but received after that date.

(Continued)

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Notes to Financial Statements
January 31, 2014 and 2013
(Continued)

(4) Due To and From Other Funds

The following schedule represents amounts due to and due from other funds at January 31, 2014 and 2013:

Fund	2014		2013	
	Due From Other Funds	Due To Other Funds	Due From Other Funds	Due To Other Funds
Unrestricted	\$ 99,575	\$	\$ 114,975	\$
Restricted Funds:				
Water Assistance Program		14,575		10,975
Weatherization Assistance Program		85,000		104,000
	<u>\$ 99,575</u>	<u>\$ 99,575</u>	<u>\$ 114,975</u>	<u>\$ 114,975</u>

(5) Property and Equipment

Property and equipment consisted of the following at January 31, 2014:

	Estimated Depreciable Life	Purchased With Federal Funds	Purchased With Non-Federal Funds	Total
Buildings and improvements	15-30 years	\$ 8,937,245	\$ 82,493	\$ 9,019,738
Land		361,891		361,891
Furniture, fixtures, equipment	5-10 years	2,386,147	19,612	2,405,759
Vehicles	5 years	1,557,488	47,794	1,605,282
Idle Property			60,000	60,000
Accumulated depreciation		(5,992,368)	(81,612)	(6,073,980)
Net investment in property and equipment		<u>\$ 7,250,403</u>	<u>\$ 128,287</u>	<u>\$ 7,378,690</u>

Property and equipment consisted of the following at January 31, 2013:

	Estimated Depreciable Life	Purchased With Federal Funds	Purchased With Non-Federal Funds	Total
Buildings and improvements	15-30 years	\$ 8,937,244	\$ 82,493	\$ 9,019,737
Land		361,891		361,891
Furniture, fixtures, equipment	5-10 years	2,384,222	19,612	2,403,834
Vehicles	5 years	1,814,725	24,349	1,839,074
Idle Property			60,000	60,000
Accumulated depreciation		(5,733,710)	(77,188)	(5,810,898)
Net investment in property and equipment		<u>\$ 7,764,372</u>	<u>\$ 109,266</u>	<u>\$ 7,873,638</u>

Depreciation expense was \$520,319 and \$506,289 for the years ended January 31, 2014 and 2013, respectively.

(Continued)

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Notes to Financial Statements
January 31, 2014 and 2013
(Continued)

(6) Refundable Advances

CCAA records federal funds received in excess of expenditures as a refundable advance until they are expended for the purpose of the contract or until the funds are returned to the appropriate funding source.

(7) Accrued Liabilities

Accrued liabilities at January 31, 2014 and 2013 consisted of the following:

	2014	2013
Accrued payroll	\$ 185,362	\$ 171,503
Accrued leave	111,701	113,674
Payroll taxes payable	33,587	23,640
	<u>\$ 330,650</u>	<u>\$ 308,817</u>

(8) Contractual Revenue – Grants

During the years ended January 31, 2014 and 2013, CCAA received contractual revenue from federal and state grants in the amount of \$15,193,802 and \$15,737,192, respectively. The continued existence of these funds is based on annual contract renewals with various funding sources.

(9) Leases

The agency leases several buildings and certain equipment under operating leases. The rental costs on these items for the years ended January 31, 2014 and 2013 were \$127,567 and \$132,596, respectively. The minimum annual commitments under non-cancelable operating leases are as follows:

Year Ending	
<u>January 31,</u>	
2015	\$ 107,741
2016	95,456
2017	79,850
2018	27,300
	<u>\$ 310,347</u>

The operating leases are subject to CCAA receiving their annual appropriation of funds.

(Continued)

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Notes to Financial Statements
January 31, 2014 and 2013
(Continued)

(10) Line of Credit

Caddo Community Action Agency, Inc. entered into an agreement dated October 23, 2012, for a revolving line of credit for \$500,000 with a variable interest rate of 2.646% over a LIBOR rate. Interest rate at January 31, 2014 was 2.803%. Principal and interest are payable on October 25, 2014. At January 31, 2014 and 2013, the balance on the line of credit was \$85,000 and \$104,000, respectively. Interest expense incurred under the line of credit for the years ended January 31, 2014 and 2013 was \$3,111 and \$1,178, respectively. Collateral for the line of credit is certain real estate owned by the agency.

(11) Notes Payable

Long-term debt at January 31, 2014 and 2013 consisted of the following:

	<u>2014</u>	<u>2013</u>
Note payable to a bank, due September 28, 2017, with an interest rate of 2.74% over prime rate, secured by pledge of collateral mortgage note.	\$ 913,186	\$ 1,048,348
Less current installments on long-term debt	<u>(61,376)</u>	<u>(56,221)</u>
	<u>\$ 851,810</u>	<u>\$ 992,127</u>

Total interest expense incurred on the loan for the years ended January 31, 2014 and 2013 was \$34,567 and \$13,483, respectively.

Approximate maturities of long-term debt are summarized as follows:

<u>For the Year Ending</u> <u>January 31,</u>	<u>Approximate</u> <u>Amount</u>
2015	\$ 61,376
2016	63,491
2017	65,679
2018	<u>722,640</u>
	<u>\$ 913,186</u>

(12) Contingency

Caddo Community Action Agency, Inc. is the defendant in several lawsuits of which the ultimate outcome is unknown at this time. In the opinion of legal counsel, the amount of any damages awarded in excess of the agency's current insurance coverage cannot be reasonably estimated at this time.

(13) Subsequent Events

Subsequent events have been evaluated through August 7, 2014, the date the financial statements were available to be issued.

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Combining Schedule of Financial Position
January 31, 2014

	Head Start Program	Child Care Food Program	Community Service	Weather- ization Assistance	Home Energy Assistance	Water Assistance	Other General Services	Total
Assets								
Current assets:								
Cash	\$ 126,531	\$	\$ 27,078	\$ 18,180	\$ 40,491	\$ 105	\$ 79,959	\$ 292,344
Grant receivables	52,987	130,004		60,944	13,930			257,865
Prepaid insurance	134,429							134,429
Due from other funds							99,575	99,575
Total current assets	<u>313,947</u>	<u>130,004</u>	<u>27,078</u>	<u>79,124</u>	<u>54,421</u>	<u>105</u>	<u>179,534</u>	<u>784,213</u>
Property and equipment:								
Property and equipment	13,000,492		14,717	200,314	21,666		215,481	13,452,670
Accumulated depreciation	(5,804,839)		(14,717)	(152,057)	(15,174)		(87,193)	(6,073,980)
Net property & equipment	<u>7,195,653</u>			<u>48,257</u>	<u>6,492</u>		<u>128,288</u>	<u>7,378,690</u>
Total Assets	<u>\$ 7,509,600</u>	<u>\$ 130,004</u>	<u>\$ 27,078</u>	<u>\$ 127,381</u>	<u>\$ 60,913</u>	<u>\$ 105</u>	<u>\$ 307,822</u>	<u>\$ 8,162,903</u>
Liabilities and Net Assets								
Current liabilities:								
Accounts payable	\$ 51,955	\$ 130,004	\$	\$	\$	\$	\$	\$ 181,959
Accrued liabilities	261,992		25,717	7,623	3,066	730	31,522	330,650
Line of credit							85,000	85,000
Due to other funds				85,000		14,575		99,575
Current portion of note payable	61,376							61,376
Refundable advances			1,361					1,361
Total current liabilities	<u>375,323</u>	<u>130,004</u>	<u>27,078</u>	<u>92,623</u>	<u>3,066</u>	<u>15,305</u>	<u>116,522</u>	<u>759,921</u>
Note payable, less current portion	851,810							851,810
Net assets:								
Unrestricted:								
Operating				(13,499)	51,355	(15,200)	63,012	85,668
Fixed assets	6,282,467			48,257	6,492		128,288	6,465,504
Total net assets	<u>6,282,467</u>			<u>34,758</u>	<u>57,847</u>	<u>(15,200)</u>	<u>191,300</u>	<u>6,551,172</u>
Total Liabilities and Net Assets	<u>\$ 7,509,600</u>	<u>\$ 130,004</u>	<u>\$ 27,078</u>	<u>\$ 127,381</u>	<u>\$ 60,913</u>	<u>\$ 105</u>	<u>\$ 307,822</u>	<u>\$ 8,162,903</u>

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Combining Schedule of Activities
For the Year Ended January 31, 2014

	Head Start Program	Child Care Food Program	Community Service	Weather- ization Assistance	Home Energy Assistance	Water Assistance	Other General Services	Total
Revenues								
Contractual revenue - grants	\$ 10,484,235	\$ 1,195,878	\$ 620,079	\$ 845,659	\$ 2,027,539	\$ 5,912	\$ 14,500	\$ 15,193,802
Miscellaneous revenues							91,721	91,721
Total revenues	10,484,235	1,195,878	620,079	845,659	2,027,539	5,912	106,221	15,285,523
Expenses								
Program								
Salaries	5,750,967	432,799	341,260	151,989			27,687	6,704,702
Fringe benefits	1,268,196	95,266	84,305	27,045			6,207	1,481,019
Travel	27,146		24					27,170
Equipment	184,780	22,189	4,232	4,949			225	216,375
Occupancy	341,831		13,241				5,404	360,476
Telephone	108,599		3,711				5,568	117,878
Insurance	239,006		7,329	23,534				269,869
Vehicle operation	308,524			38,075			381	346,980
Supplies	184,915	46,745	1,569	222,946			1,484	457,659
Professional services	632,051			239,317				871,368
Food and related supplies	275,634	480,560						756,194
Miscellaneous	197,134		855	26,312	15,058		43,177	282,536
Client assistance payments					1,819,749		14,500	1,834,249
Interest expense	34,567							34,567
Depreciation	480,987			31,313	3,596			515,896
Total program	10,034,337	1,077,559	456,526	765,480	1,838,403		104,633	14,276,938
General and Administrative								
Salaries	651,033	96,977	69,709	63,181	119,685	6,937		1,007,522
Fringe benefits	96,528	21,342	30,940	9,549	19,894	1,486		179,739
Travel			536					536
Equipment			1,481		5,899	1,527		8,907
Occupancy	56,815		9,885	154				66,854
Telephone	18,159		17,804	12,936	7,559			56,458
Insurance			5,299		621			5,920
Vehicle operation			13,019					13,019
Supplies	14,135		1,808	7,051	7,086	34		30,114
Professional services			6,974		3,876			10,850
Miscellaneous	20,782		6,098	20,105	22,965			69,950
Depreciation							4,423	4,423
Total general and administrative	857,452	118,319	163,553	112,976	187,585	9,984	4,423	1,454,292
Total expenses	10,891,789	1,195,878	620,079	878,456	2,025,988	9,984	109,056	15,731,230
Change in net assets	(407,554)			(32,797)	1,551	(4,072)	(2,835)	(445,707)
Net assets, beginning of year	6,690,021			67,555	56,296	(11,128)	194,135	6,996,879
Net assets, end of year	\$ 6,282,467	\$	\$	\$ 34,758	\$ 57,847	\$ (15,200)	\$ 191,300	\$ 6,551,172

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended January 31, 2014

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
<u>U.S. Department of Agriculture</u>			
Pass through Louisiana Department of Education: Child and Adult Care Food Program (Head Start)	10.558	N/A	<u>\$ 1,195,878</u>
<u>U.S. Department of Energy</u>			
Pass through Louisiana Association of Community Partnerships, Inc. Weatherization Assistance for Low-Income Persons (FY 9-30-13)	81.042	N/A	89,761
Weatherization Assistance for Low-Income Persons (FY 9-30-14)	81.042	N/A	4,620
ARRA - Weatherization Assistance for Low-Income Persons	81.042	N/A	82,353
Total Department of Energy			<u>176,734</u>
<u>U.S. Department of Homeland Security</u>			
Emergency Food and Shelter	97.024	Unknown	<u>14,500</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through Caddo Parish Commission: Head Start	93.600	06CH6376/42	10,461,313
Passed through Louisiana Workforce Commission: Community Services Block Grant	93.569	2013N0036	352,922
Community Services Block Grant	93.569	2012N0036	247,782
Passed through Louisiana Association of Community Partnerships, Inc. Home Energy Assistance Program (FY 9-30-13)	93.568	Unknown	1,635,723
Home Energy Assistance Program (FY 9-30-14)	93.568	Unknown	366,669
Weatherization Assistance for Low-Income Persons (FY 09-30-13)	93.568	Unknown	423,454
Weatherization Assistance for Low-Income Persons (FY 09-30-14)	93.568	Unknown	239,282
Total Department of Health and Human Services			<u>13,727,145</u>
Total Federal Expenditures			<u>\$ 15,114,257</u>

Note 1: The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting.

**Supplemental Schedules Prepared for
Grants and Contracts Analysis**

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Head Start Grant No. 06CH6376/42
U.S. Department of Health and Human Services
Schedule of Revenues, Expenses and Changes in Fund Balance
For the Contract Period: February 1, 2013 to January 31, 2014

Revenues:	Budget	Actual	COB Balances Current Year
Department of Health & Human Services	\$ 10,461,313	\$ 10,461,313	
Grantee's contribution	2,615,328	2,615,328	
Total revenue	13,076,641	13,076,641	
Expenses:			
Personnel	6,604,073	6,402,000	202,073
Fringe benefits	1,256,275	1,357,494	(101,219)
Travel	38,567	27,146	11,421
Supplies	482,651	199,050	283,601
Contractual	670,724	632,051	38,673
Other	1,409,023	1,843,572	(434,549)
	10,461,313	10,461,313	
Grantee's share of inkind contributions	2,615,328	2,615,328	
Total all expenses	\$ 13,076,641	13,076,641	
Revenue over (under) expenses			
Fund balance, beginning February 1, 2013			
Fund balance, ending January 31, 2014		\$	

Caddo Community Action Agency, Inc.
Shreveport Louisiana
Child and Adult Care Food Program
Louisiana Department of Education
Schedule of Revenues, Expenses and Changes in Fund Balance
For the Period: February 1, 2013 to January 31, 2014

Revenue:

Contract revenue	<u>\$ 1,195,878</u>
Total revenue	<u>1,195,878</u>

Expenses:

Salaries	529,775
Fringe benefit	116,608
Equipment and repairs	22,189
Non food supplies	46,746
Food service costs	<u>480,560</u>
Total expenses	<u>1,195,878</u>

Excess revenue (expenses)

Fund balance, beginning February 1, 2013

Fund balance, ending January 31, 2014 \$

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**Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With Government Auditing Standards**

Independent Auditors' Report

To the Board of Directors
Caddo Community Action Agency, Inc.
Shreveport, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Caddo Community Action Agency, Inc., (a nonprofit organization), which comprise the statement of financial position as of January 31, 2014, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 7, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Caddo Community Action Agency Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Caddo Community Action Agency, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Caddo Community Action Agency, Inc.'s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Caddo Community Action Agency, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Cook & Morehart
Certified Public Accountants
August 7, 2014

COOK & MOREHART

Certified Public Accountants

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Report on Compliance For Each Major Federal Program and on Internal Control Over Compliance Required by OMB Circular A-133

Independent Auditors' Report

To the Board of Directors
Caddo Community Action Agency, Inc.
Shreveport, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Caddo Community Action Agency, Inc.'s, compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Caddo Community Action Agency Inc.'s major federal programs for the year ended January 31, 2014. Caddo Community Action Agency, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Caddo Community Action Agency, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Caddo Community Action Agency, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Caddo Community Action Agency, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Caddo Community Action Agency, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended January 31, 2014.

Report on Internal Control Over Compliance

Management of Caddo Community Action Agency, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Caddo Community Action Agency, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness Caddo Community Action Agency, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Cook & Morehart
Certified Public Accountants
August 7, 2014

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Summary Schedule of Prior Audit Findings
January 31, 2014

2013-C1 SIGNIFICANT DEFICIENCY

US Department of Energy: Low-Income Home Energy Assistance Program, CFDA 93.568

Significant Deficiency: As of January 31, 2013, the agency has excess funds received but not yet expended totaling \$143,448 which were not expended on utility costs or returned to the funding source. Funds totaling \$32,374 were returned to the funding source in February 2013, leaving a remaining balance of \$111,074.

Recommendation: We recommend that the agency contact its funding source to determine the proper resolution of these excess funds.

Current Status: The remaining funds of \$111,074 were returned to the funding source during the year ended January 31, 2014.

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Schedule of Findings and Questioned Costs
January 31, 2014

A. Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on the financial statements of Caddo Community Action Agency, Inc.
2. No significant deficiencies relating to the audit of the financials statements are reported in the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Caddo Community Action Agency, Inc. were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133.
5. The auditor's report on compliance for the major programs expresses an unmodified opinion for all major programs.
6. There are no audit findings relative to the major federal award programs for Caddo Community Action Agency, Inc. reported in Part C. of this schedule.
7. The programs tested as major programs include: 1) Head Start Program CFDA #93.600, 2) Low-Income Home Energy Assistance and Weatherization Assistance for Low-Income Persons CFDA #93.568, 3) Community Services Block Grant CFDA #93.569 and 4) Child and Adult Care Food Program CFDA #10.558.
8. The threshold for distinguishing Types A and B programs was \$453,428.
9. Caddo Community Action Agency, Inc. did not qualify as a low-risk auditee.

B. Findings – Financial Statements Audit – NONE.

C. Findings and Questioned Costs – Major Federal Award Programs Audit - NONE.

Caddo Community Action Agency, Inc.
Shreveport, Louisiana
Schedule for Louisiana Legislative Auditor
January 31, 2014

There was one finding for the prior year audit period ended January 31, 2013, as described in the accompanying Summary Schedule of Prior Audit Findings.

There are no findings for the current year audit period ended January 31, 2014.